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## WTO and Agriculture

# What's at Stake for Wisconsin?

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Wisconsin is an important producer of agricultural products and a large exporter. In 1997, Wisconsin ranked 15th among all 50 states in the value of its agricultural exports. The state's exports reached an estimated \$1.2 billion, up from \$779 million in 1991. These exports help boost farm prices and income, while supporting about 20,700 jobs both on the farm and off the farm in food processing, transportation and manufacturing. Exports are increasingly important to Wisconsin's agricultural and state-wide economy. Measured as exports divided by farm cash receipts, the state's reliance on agricultural exports rose from 14% to 21% since 1991.

The top five agricultural exports in 1997 were:

- # feed grains and products -- \$297 million
- # vegetables and preparations -- \$206 million
- # dairy products -- \$204 million
- # live animals and red meats -- \$151 million
- # soybeans and products -- \$125 million

World demand for these products is increasing, but so is competition among suppliers. If Wisconsin's farmers, ranchers, and food processors are to compete successfully for the export opportunities of the 21st century, they need *fair trade* and *fair access* to growing global markets.

## Wisconsin Producers Benefit from Trade Agreements

Wisconsin is already benefitting from a number of agricultural trade agreements. While there is still much to be done, examples of new market opportunities for Wisconsin include:

- # Wisconsin, a large feed corn producer, benefits under the Uruguay Round as Japan increases its 3.75-million-ton zero duty quota for feed corn by 450,000 tons by 2000. South Korea is lowering its in-quota tariff on feed corn and popcorn from 3% to 1.8% from 1995 to 2005. Korea is also reducing tariffs on mixed animal feeds from 7% to 4.2%.
- # With over 10% of its farm receipts coming from cattle, Wisconsin benefits from the Uruguay Round with a 38% reduction in the quantity of EU beef receiving export subsidies by 2000. Japan is reducing beef tariffs from 50% to 38.5%. Korea will eliminate its beef import quota by 2001 and reduce its tariffs to 40% by 2004. The Philippines is reducing its beef tariff from 60% to 35%.
- # As the nation's 2nd largest processor of sweet corn, Wisconsin benefits under the Uruguay Round as Japan, Korea and Thailand lower their tariffs on canned sweet corn. Japan is reducing tariffs on frozen, sweet corn from 12.5% to 7.5%.

